

**CITY OF OTSEGO
WATER, SANITARY SEWER and
STORMWATER USE AND BILLING ORDINANCE**

ORDINANCE NO. 2007-13

THE CITY COUNCIL OF THE CITY OF OTSEGO, WRIGHT COUNTY, MINNESOTA, HEREBY ORDAINS AS FOLLOWS:

SECTION 1. PURPOSE.

The Otsego City Council has determined that in order to pay for the cost of construction, reconstruction, repair, enlargement, improvement, maintenance, operation, and use of the City of Otsego water, sanitary sewer systems and stormwater systems; the cost of State and Federal regulations; and the principal and interest to become due on obligations issued or to be issued, it is necessary to impose just and equitable charges for the use and availability of the City of Otsego municipal water and sanitary sewer systems pursuant to Minnesota Statutes Chapter 444.

SECTION 2. ACCOUNTS.

- 2.1. Owners or users of any property within those areas where City water, sanitary sewer and/or stormwater service is available (meaning physically available to the property and deliverable pursuant to the City's assessment policy and the applicable sections of the City Comprehensive Land Use Plan) to the property may not use a non-municipal system without specific written agreement with or some other specific approval from the City of Otsego.
- 2.2. All accounts shall be carried in the name of the property owner who personally, or by his or her authorized agent, applied for such service. The owner shall be liable for services supplied to and consumed by the property, whether he or she is occupying the property or not. The owner shall be liable for services supplied to and consumed by the property even if the property is a rental property.

SECTION 3. BILLING.

- 3.1. Charges shall be billed on one bill as applicable to each account. All charges shall be due upon receipt and considered delinquent immediately after the due date of the current bill.

- 3.2. All bills shall contain the address and telephone number of the City Utility Department; that information shall be clearly visible and easily readable on all bills.
- 3.3. Residential, commercial and industrial property bills shall be mailed to the owner on a monthly basis and shall specify the water consumed in accordance with the current fee schedule set by ordinance of the Otsego City Council.

SECTION 4. UTILITY RATE SCHEDULE.

- 4.1. The utility rate schedule for all properties subject to this ordinance shall be adopted annually by ordinance of the City Council. The utility rate schedule shall include, but not be limited to, the items set forth in Chapter 6-1-4 of the Otsego City Code.

SECTION 5. DELINQUENT ACCOUNTS.

- 5.1 Penalties. A late payment fee of ten percent (10%) shall be assessed on the unpaid portion(s) on all accounts with a past due balance. The unpaid portions and late payment penalty shall be due immediately.
- 5.2 Payment Plan. City Utility Department may authorize an adjustment and/or payment plans for delinquent accounts for total delinquent amounts not exceeding \$5,000.00. A request for a payment plan shall be directed to the City Utility Department. The City will only authorize adjustments and/or payment plans on a case-by-case basis based upon the facts and circumstances of each account. The City Utility Department reserves the right to obtain City Council approval before authorization of an adjustment or payment plan is finalized.
 - 5.2.1 Shut-off for nonpayment. If any bill is not paid by the due date listed on the bill, a shut-off notice will be mailed by first class mail and shall state that if full payment is not made by the date specified in the shut-off notice OR if a mutually agreeable payment plan is not approved by the City Utility Department (pursuant to Paragraph 5.2 herein), water service to the premises will be shut off for nonpayment.
 - 5.2.2 The shut-off notice shall contain the address and telephone number of the City Utility Department in charge of billing; that information shall be clearly visible and easily readable on the shut-off notice.
 - 5.2.3 A disconnection fee and a reconnection fee, as set forth in the City of Otsego fee schedule and duly adopted by ordinance, must be paid in

addition to the outstanding delinquent balance before water service will be turned back on.

- 5.3 Certification for collection with taxes. Unpaid charges on sewer and water accounts shall not be certified to the Wright County Auditor until notice and an opportunity for a hearing have been provided to the owner of the premises involved. The City may certify unpaid charges to Wright County on a quarterly basis beginning on October 1st, 2007. After October 1st, 2007, certifications may be made on or about January 2nd, April 1st, July 1st and October 1st of each year. The notice shall be sent by first class mail and shall state that if payment is not made within thirty (30) days after adoption of the assessment roll, the entire amount unpaid plus penalties or fees will be certified to the county auditor for collection as other taxes are collected. The notice shall also state that the occupant may attend the scheduled hearing on the matter to object to certification of unpaid utility charges. There shall be an administrative charge due upon the mailing or electronic transmittal of the notice of the proposed assessment. The administrative charge shall be set forth in the City of Otsego fee schedule which is duly adopted by ordinance.
- 5.4 The owner of the property shall have the option of paying the balance due on the account until the date the notice of the certification hearing is mailed. After the date the notice of certification hearing is mailed, payments will still be accepted but will include unpaid penalties.
- 5.5 A hearing shall be held on the matter by the City Council. Property owners with unpaid utility charges shall have the opportunity to object to the certification of unpaid charges to be collected as taxes are collected. If, after the hearing, the City Council finds that the amounts claimed as delinquent are actually due and unpaid and that there is no legal reason why the unpaid charges should not be certified for collection with taxes in accordance with this ordinance, the City may certify the unpaid charges to the county auditor for collection as other taxes are collected.
- 5.6 For each certification sustained, the property owner shall have the following options after the hearing:
- 5.6.1 To pay the delinquent amount listed on the preliminary roll, but without additional interest after the hearing, within thirty (30) days of the hearing date.
- 5.6.2 To pay the certified charges as billed to them by Wright County on their property tax statement with a collection term of one year.

- 5.7. After the hearing, the certified roll, minus any payments, shall be delivered to the Wright County Auditor.

SECTION 6. WATER LINE CONNECTIONS.

- 6.1. Every premises served by a water hookup shall have a separate connection and a separate meter. For purposes of this ordinance, a premise may include more than one residential unit if approved by the City or pursuant to a specific written agreement with the City.
- 6.2. No person, firm, or corporation shall hook up any water connection or meter to the City water line without first obtaining a permit therefore from the City. The initial connection and turn-on operation for any water system connection shall only be performed by a City employee or authorized agent.
- 6.3. Licensed plumber required. No person, firm, or corporation may hook up or service any water line connected to the City water system unless said person, firm or corporation is a plumber duly licensed under the laws of the State of Minnesota or the ordinances of the City.
- 6.4. The connection charge imposed by the City for hookup to the municipal water system shall be set by a duly adopted ordinance of the Otsego City Council.
- 6.5. Residential Equivalent Connections (RECs) will be established for non-residential users. The number of RECs per use will be per the current version of the Metropolitan Council Environmental Services Procedures Manual or will be otherwise determined by City Council decision.
- 6.6. Each property shall connect to the City of Otsego water, sanitary sewer and stormwater system unless excepted by a City Council decision, resolution, or unless previous approval by the City Council. Specific exceptions may be made for single family residences with continued use of an existing well for irrigation purposes only after connection to City water.

SECTION 7. METERS.

- 7.1. All water consumption shall be measured by a City-provided meter. Meters shall be supplied to customers at a price determined by the City.
- 7.2. Except for the extinguishment of fires, no person other than an authorized City employee shall use water from the City water system unless the water passes through a meter supplied by or approved by the City. No person not

authorized by the City shall connect, disconnect, take apart, or in any manner change or interfere with any such meter or its use.

- 7.3. Every water meter shall be installed pursuant to City specifications.
- 7.4. Authorized meter readers and repair personnel shall have free access at reasonable hours of the day to all parts of every building and premises connected with the City water supply system in order to read meters, make inspections and make repairs. Denial of such access may result in water service being shut off.
- 7.5. The property owner or builder shall pay for the initial water meter(s) installed at each property. After such initial purchase and installation of the water meter(s), the City shall maintain and repair, at its expense, any meter that has become unserviceable through ordinary wear and tear and shall replace the meter if necessary. Where repair or replacement is made necessary by act or neglect of the owner or occupant of the premises, any City expense caused thereby shall be a charge against and collected from the water consumer, and water service may be discontinued until the cause is corrected and the amount charged is paid.
 - 7.6.1. When a consumer complains that a bill for any past water consumption and use is excessive, the City shall have the meter re-read upon the consumer's written request. If the consumer remains dissatisfied, the consumer may, upon written request, have the meter tested. If the test shows an error in the City's favor exceeding five percent (5%) of water consumed, a new meter shall be installed, and the bill shall be adjusted accordingly. If the test shows an error in the customer's favor exceeding five percent (5%) of the water consumed, such adjustment shall not extend back more than the last billing period from the date of the written request. The result of any test shall be reported to the owner or consumer in every case.
 - 7.6.2. If the City becomes aware of an error for any past water consumption or billing in the property owner's favor, the City will reimburse the property owner for the amount paid in error. Adjustments shall not extend back more than six (6) years from the date of notice of the error.
 - 7.6.3. If the City becomes aware of an error for any past water consumption or billing in the City's favor, the City may correct said error and collect unpaid amounts from Owner for water service provided. In that event the City shall provide owner with documentation and an explanation of the error and the adjustment shall not extend back more than six (6) years from the date of notice of the error and the City shall provide for a payment plan.

- 7.7. The City reserves the right to remove and/or replace meters as to size and type when deemed necessary by the City.

SECTION 8. SERVICE PIPES; RESPONSIBILITY FOR REPAIRS.

- 8.1. The service pipe from the water main to the meter and the connections thereto shall be the property of the consumer. The pipe must be protected and maintained by the consumer. In the event the consumer fails to make any necessary repairs to the service connections or pipe within 24 hours after being notified to do so by the City, the City shall disconnect the premises from City water.
- 8.2. The cost of all repairs and replacement of any plumbing or service pipes between the property and the main city utility line(s) shall be borne entirely by the owner of the property affected, and if such repair or replacement work is performed by the City, the cost of time and material shall be assessed against the owner of the affected property.

SECTION 9. CITY LIABILITY

- 9.1. The City shall not be liable for any damages resulting from stoppage of the supply or flow of water as the result of breaks in any mains, service pipes or fixtures, by reason of the breaking of machinery or stoppage for necessary repair or any other interruption of service.

SECTION 10. FIRE HYDRANTS

- 10.1. No person, except a person authorized by the City, shall be allowed to use any fire hydrant in the City for any purpose whatsoever without first securing a permit from the City. Payment for the water used, except for firefighting, shall be made in accordance with the rate schedule duly adopted by the City Council.

SECTION 11. DISCONTINUED SERVICE.

- 11.1. A property owner desiring to discontinue the use of city water shall notify the City to that effect, who shall have the service at the curb stop box cut off by authorized personnel. No unauthorized person shall cut off the water service.

Where City water has been turned off, it will be turned on only when:

- (1) a fee is paid; and
- (2) all unpaid fees, usage charges and late payment penalties are paid.

In addition, water service may be shut off at any stop box connection whenever:

- (1) the owner or occupant of the premises served or any person working on any pipes or equipment thereon which are connected with the water system has violated or threatens to violate any of the provisions of this Ordinance;
- (2) any charge for water, service, meter or any other financial obligation imposed on the present or former owner or occupant of the premises served is unpaid and in default; and
- (3) fraud or misrepresentation by the owner or occupant of the premises served in connection with any application for service.

SECTION 12. PENALTY.

12.1. Violation of a provision of this Ordinance is a misdemeanor and, upon conviction thereof, a person may be punished by a fine of not more than one thousand dollars (\$1,000.00), or such other amount set by law, or imprisonment for a term not to exceed ninety (90) days, or such other term set by law, or both, but in either case, the costs of prosecution may be added. Each act of violation and each day on which a violation occurs or continues is a separate violation. The provisions of this Section notwithstanding, no penalty shall be greater than that established by state statute for the same offense. The City reserves the right to enforce the terms and conditions of this ordinance by use of Administrative Enforcement procedures or any applicable action in law or equity.

SECTION 13. REPEAL.

13.1. Chapter 6, Sections 2 and 3 of the Otsego City Code (which codified City of Otsego Ordinances #00-11 (June 26, 2000) and #00-12 (June 26, 2000)) are hereby repealed in their entirety.

13.2 Any other ordinances or parts of ordinances in conflict with this Ordinance are to the extent of such conflict hereby repealed.

SECTION 14.

This ordinance becomes effective from and after its passage and publication.

MOTION BY: _____

SECOND BY: _____

ALL IN FAVOR:

THOSE OPPOSED:

ADOPTED this 24th day of September, 2007 by the City Council of the City of Otsego.

CITY OF OTSEGO

Larry Fournier, Mayor

ATTEST:

Judy Hudson, City Clerk